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*To ensure access to high-quality,
patient-centered, cost-effective health
care to Los Angeles County residents
through direct services at DHS facilities
and through collaboration with
community and university partners.*



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August 20, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AUTHORITY FOR ADDITIONAL POTENTIAL
EXPENDITURE FOR 2013 CALIFORNIA STATE LOAN REPAYMENT
PROGRAM (SLRP)
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Request approval to provide additional matching funds for the 2013 California State Loan Repayment Program, and delegate authority to provide additional matching funds for future cycles of the California State Loan Repayment Program.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services, or his designee, to execute all required applications and agreements for the 2013 California State Loan Repayment Program which require a County contribution, so long as those contributions do not aggregate to more than \$1,000,000.
2. Delegate authority to the Director of Health Services, or his designee, to execute all required applications and agreements for future cycles of the SLRP which require a County contribution so long as those contributions do not aggregate to more than \$1,000,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The California State Loan Repayment Program (SLRP) authorizes repayment of educational loans to certain types of health professionals, who in turn must commit to practice in medically underserved areas in public or non-profit entities for a minimum of two years and maximum of four years. Participation in SLRP requires a contribution from the entity where the professional is working.

Approval of the recommended actions will allow the Department of Health Services (Department or DHS) to execute required SLRP applications and agreements, and provide required contributions that may exceed the Department's current delegated authority of \$100,000 in the aggregate annually, to allow all qualified County personnel to participate in the current and future cycles of the SLRP.

On March 19, 2013, the Board approved an ordinance amending Title 5 – Personnel of the Los Angeles County Code, Chapter 44, relating to Additional Employment and Compensation, by adding subsection C to section 5.44.020, to confirm that a county officer or employee may participate in student loan repayment or scholarship programs where the programs require the employment at an eligible site or entity as a condition of receiving benefits under such a program. In concert with the ordinance, the Board delegated authority to the Directors of DHS, Department of Mental Health and Department of Public Health to execute all required applications and agreements for student loan repayment programs which do not require a County contribution or which require County contributions of less than \$100,000 in the aggregate annually for each department.

Since the Board's recent approval of the ordinance there has been strong interest among DHS employees in the SLRP for 2013. To date more than 25 employees have been identified as meeting the minimum applicant requirements of full-time/part-time primary care/mental health and dental health delivery in a facility certified for the SLRP.

The SLRP is a competitive program and we anticipate that only a fraction of those who apply will be awarded loan repayment funds. However, we want each eligible candidate to be able to submit an application. Therefore, to cover all applicants, it is necessary to request an increase in the previously delegated authority for the County's contribution of \$100,000 in the aggregate annually. We expect actual expenditures to be significantly less than the \$1,000,000 requested, depending on who is selected for the SLRP.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The County's maximum contribution for SLRP shall not exceed \$1,000,000 for 2013 and \$1,000,000 annually in the aggregate for future years. All funds expended under the recommended actions will represent a net cost to the County. However, any amount the County puts forth will be matched dollar for dollar by the SLRP.

Funding will be requested in DHS' Fiscal Year 2013-14 Supplemental Budget Request, and will be requested in future fiscal years as needed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

SLRP provides up to \$60,000 per two year new commitment for certain types of health professionals who are full time employees of certified sites. Each applicant must apply separately, and the SLRP application process requires DHS to certify the practice site information, including verification of direct patient hours. It also requires the County, as the employer, to enter into a Memorandum of Understanding, which guarantees the availability of County matching funds.

As a result of a concerted Department effort, the number of DHS facilities that are SLRP certified sites has increased in the past year, making the program available to more individuals. Interest among clinicians in the program has been strong, with DHS receiving over 400 inquiries.

The State of California will determine which candidates are awarded SLRP funds. DHS will be responsible for providing matching funds for those of its employees who are selected.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Making SLRP available to qualified County employees is one component of a recruitment and retention strategy for primary care clinicians in DHS. Delegation of greater spending authority will enhance the value of this component.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is fluid and cursive, with the first name "Mitchell" written in a larger, more prominent script than the last name "Katz".

Mitchell H. Katz, M.D.

Director

MHK:ja

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors